2; Gamble S-5 (1926-1933)1954 . AF 12 North China AF 12

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Surtaxes were levied on both tobacco and wine in 1927. The tobacco surtax was 40 per cent of the basic tax and was designated for education. The wine surtax was 60 per cent of the regular tax and was collected for the army. In 1928 the wine surtax was reduced to 30 per cent and was designated for relief. Both surtaxes were discontinued in 1929 by the new Nationalist government but the loss was more than made up by a large increase in the dealers' rates. The 1929 income from that source, $8,016, was more than 3.5 times the $2,300 received in 1928. Other wine and tobacco receipts increased only $416, from $2,034 to $2,450.

Likin (transit taxes) was collected in Paoting and Shih Chia Chuang. No records were kept of the shipments addressed to Ting Hsien, but the heads of the two collection offices estimated that the taxes on the goods destined for that area amounted to some $12,500. For most items the likin was an ad valorem charge of one per cent; for some it was 5 per cent; for some it was based on weight or number, e.g., 10 cents per 100 catties of flint and bamboo, 50 cents per 100 catties of bristles, 30 cents per ton of coal, $1.50 on a noodle machine, $6.00 on a cart.

Stamps were required on practically all documents, from one cent on receipts for less than $10.00 to 10 cents on a store account book, 40 cents on a marriage license, $1.00 on a college diploma, and $2.00 on the papers for an automobile worth more than $1,000. The government apparently attempted to set stamp quotas for the hsien, but the quota figures usually were far above the actual receipts. In 1919 Ting Hsien's quota was $6,000 but the amount actually received was reported as less than $500. In 1929 the quota was $8,800, the receipts $6,340.

Ting Hsien was the head stamp office for 13 hsien. The receipts from that area were reported as just over $50,000. Twenty per cent of the total was kept by the district office for expenses. Stamp agents, of whom there were four in Ting Hsien, were paid 5 per cent on their sales. During 1926–28 almost none of the proceeds of the stamp taxes went to the national government. They were kept by either the province or the armies.

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In 1913 the new Republican government decreed that all land owners must present their deeds for inspection and registration. A registration fee of 10 cents was charged on all deeds and an inspection fee of $1.00 on deeds for property worth more than $30. The next year the deeds for land worth less than $30 were taxed 50 cents each. The

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424 651 hsien kept 10 per cent and sent the rest to the provincial capital. The amount paid from May to December, 1914, was $52,000.

In 1927 the Peking government again issued regulations requiring that all deeds be presented for inspection and that old and new deeds be stamped according to the value of the land. The graduated fee was 10 cents for values under $50, 20 cents under $100, 50 cents under $300, $1.00 under $500, and $2.00 for all values of $500 or more. Not much was done in the matter until February, 1928. Then each village was required to register a minimum number of deeds depending on its size; at least 500 deeds by villages with from 50 to 200 families, at least 1,500 deeds by those with from 200 to 500 families, and at least 3,000 deeds by those with from 500 to 1,000 families. The collection of the inspection fee was finally passed on to the village heads and they were required to finish the work in half a month. The government was anxious to complete the program before the arrival of the Nationalist forces.

The Nationalist government also instituted a deed registration program in 1927, in order to get money for the provincial governments, but Ting Hsien was not affected until 1929, when the program was applied to Hopei province. Then the representatives of 96 hsien went to Peking to protest against a second registration program in two years, but the best they could do was to get the time of collection extended.

423 651 The regular annual land tax, which produced some 22 per cent of the tax income from the hsien, was based, according to the hsien history, on a classification of the privately owned land set up by the Emperor Wan Li (1572–1619). In order to have a uniform tax rate, but still relate the amount of the tax to the value of the land, the size of each plot of land was fixed in terms of an elastic size tax mu, larger than the standard mu. The number of standard mu in a tax mu was determined by the quality of the land. Three and one-half mu of good land, five mu of medium grade land, seven mu of poor land, and 14 mu of very poor land were equivalent to one tax mu. The land so rated was known as the o nei land (fixed number of mu). The number of large mu on the 1929 tax roll was 224,223.4. This was the same as the figure given for 1657 except for 21,361.1 mu that had been destroyed by four floods in the 19th century and therefore removed from the tax rolls.

The records show that early in the Ch'ing dynasty the taxed land was divided into three classes: (1) land owned by gentry who were exempt from the surtax imposed to replace a head tax and a national labor

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the cash, and an additional surcharge of 49.2 per cent designated for the police and for education. After 1914 these items were combined into a single levy. In 1927 the total was 60,206,017 cash or $16,051.91. In 1929 the rate was more than doubled. The total was $33,578.04. This was 30 per cent of the provincial levy.

Together the provincial and hsien levies for 1929 totaled $144,938. The combined rate was 48.52 cents per o nei mu (from 13.9 to 3.47 cents per standard mu) and 6.89 cents per o wei mu. The overall average was just under 10 cents per standard mu.

Most of the villages collected "crop money" from the owners and operators of the surrounding farm land, in order to pay the village expenses for crop watching, night watchmen, local police, home guard, schools, and the demands of the military forces. The rates for the Ting Hsien villages were not available but in a village about 25 miles south the charge varied from 12 to 23 cents per mu during the five year period, 1927-31. The highest rate was in 1928 when the military demands were especially heavy.[1] In 21 multi-village areas near Peking the fall "crop money" ranged from 15 to 70 cents per mu in 1929 and from 18 to 45 cents in 1930. For the individual areas the averages for the five years, 1929 to 1933 inclusive, ranged from 19.5 to 54 cents per mu. For 13 of the 21 areas the five year average was between 30 and 45 cents per mu. The average annual assessment of the 21 areas ranged from 30.6 to 36.4 cents per mu.

Transfer taxes were levied on all land sales and on mortgages. The latter were taxed as they involved a definite land transfer. The mortgagee regularly took possession of the mortgaged land and held and used it until the mortgage was repaid. The income from the land went to the mortgagee in lieu of interest on the loan.

The tax regulations required the village land supervisors, village gentry, to witness the signatures on land deeds and to see that the transfer taxes were paid within six months. Delay beyond six months brought a 100 per cent penalty. If delayed beyond one year the penalty was 200 per cent and beyond two years 300 per cent. Concealing the value of the land transferred, or the amount of the mortgage, incurred penalties of from 100 to 500 per cent depending on the amount of the discount, 100 per cent for undervaluations up to 20 per cent and 500 per cent if over

1. Sidney D. Gamble, "Hsin Chuang", *Harvard Journal of Asiatic Studies*, vol. 8, no. 1 (1944).

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651 424 687 50 per cent. If there was collusion that involved the land supervisor of the village he was to be assessed twice the amount of the tax due.

The tax rates were 12.6 per cent on deeds and 5.3 per cent on mortgages. The basic rates were 6 per cent and 3 per cent and were collected for the province by the hsien. It kept 2 per cent of the total for its collection service. A surtax of 10 per cent of the basic tax was designated for education. The remaining 6 and 2 per cent represented the commission, ya yung, formerly collected by the middlemen who arranged the deals, but later taken over by the government agencies.

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The basic rate and the 10 per cent surtax were paid by the seller or mortgagor. The ya yung charges were paid 60 per cent by the purchaser or mortgagee, 40 per cent by the seller or mortgagor.

The proceeds of the extra 6 per cent, ya yung, on deeds was divided 1.5 per cent for the province, 2.0 per cent for the hsien, and 2.5 per cent for the village where the land was located. The extra 2 per cent on mortgages was divided 0.5 per cent to the province, 0.8 per cent to the hsien, and 0.7 per cent to the village. The hsien and village shares were earmarked for education. The village share was reported as one of the sources of income for the village school. (See Chapter IX.)

651 424 In addition to the taxes there was a charge of 50 cents a sheet for the official deed and mortgage forms and 10 cents each for recording.

The number of deeds recorded was 4,826 in 1927, 5,660 in 1929. The three year average was 5,550. The number of mortgages was 903 in 1927, 1,110 in 1929, the three year average 1,049. The total reported value of the deeded land was $100,000 in 1927, $208,000 in 1929, the three year average $150,000. The total amount of the recorded mortgages was $24,600 in 1927, $54,500 in 1929, the three year average $37,870. The average land value per deed was $21 in 1927, $37 in 1929. The amount of the average mortgage was $22 in 1927 and $49 in 1929.

651 The land transfer tax on deeds and mortgages, plus the charge for the official forms and for recording, totaled $17,317 in 1927 and $33,091 in 1929. The average for the three years was $24,290. The division between deeds and mortgages was almost exactly the same for all three years, 89.3 per cent for deeds, 10.7 per cent for mortgages.

651 432 Tooth (sales) taxes, ya shui for the province and ya chüan for the hsien, were collected on most sales. Some said that the term "tooth taxes" was derived from the fact that the taxes were first levied on the sale of farm animals, transactions that regularly included the examina-